

Washington, DC—Congressman Tim Ryan (OH-17) applauded the decision of the House Education and Labor Committee to conduct a hearing on the pensions and healthcare benefits that may be cut because of the Delphi Corporation bankruptcy. The decision comes after a request made by Congressman Ryan to Committee Chairman George Miller (Committee on Education and Labor) and Subcommittee Chairman Rob Andrews (Subcommittee on Health, Employment, Labor, and Pensions).

“Today’s decision will help raise more awareness in Congress, and hopefully will help us protect the future for nearly 70,000 hardworking Americans, over 5,000 of whom are in my district, whose retirement benefits are threatened by circumstances beyond their control,” said Congressman Ryan. “As part of the economic stimulus bill that passed in February, Democrats were able to secure critical benefits that helped Delphi retirees, but I believe more can be done.”

□

“Far too often workers are the first ones to get hit when a company declares bankruptcy,” said Chairman Andrews. “The Health, Employment, Labor and Pensions Subcommittee will examine how we can improve current pension laws to ensure that companies keep their retirement promises to workers. We commend Rep. Ryan for his work in this area and look forward to exploring these important issues.”

□

The American Recovery and Reinvestment Act (“economic stimulus bill”) increased the Health Coverage Tax Credit (HCTC) from 65 percent to 80 percent of qualified health insurance premiums—allowing individuals to pay only 20% of the cost of a health plan premium. The stimulus bill also, for the first time, allowed voluntary employees' beneficiary association (VEBA) trusts established during bankruptcy to qualify for the HCTC. As a result of

these changes, participants in the VEBA established by Delphi salaried workers during Delphi's bankruptcy will qualify for an 80% HCTC.

□

Congressman Ryan has been a leader in the efforts to provide security for the supplemental and pension benefits of the Delphi Retirees, and has held discussions with both state and federal officials—including a meeting with President Obama on Air Force One--to address this critical issue and its local impact in the event of inaction. In July 2009, Congressman Ryan introduced legislation to provide funding for a Voluntary Employees Beneficiary Association (VEBA) which would cover Delphi hourly and salaried employees and retirees that lost their health coverage through Delphi and GM's Chapter 11.

A date has not yet been determined for the House hearing. A Senate hearing on this issue has been set for October 29, 2009.

###